

Personality Differences and Investment Decision-Making

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ABSTRACT

In today's complex financial landscape, individuals increasingly scrutinize various aspects of their personal finances, considering both short-term financial matters and long-term prospects. Behavioral finance, a concept merging psychological factors with economic decision-making, challenges the efficiency of traditional finance theories. This study, focusing on Larkana, Pakistan, explores the impact of individual traits, financial attitudes, and Big Five personality traits on investment decision-making. The research aims to identify how personality traits influence investors in making short-term and long-term investment decisions. Using a quantitative approach, data was collected from 200 participants in banks, educational institutions, and SMEs in Larkana. The findings reveal correlations between personality traits and financial behavior, shedding light on the significance of considering psychological aspects in investment decisions. The study's implications extend to Larkana investors, offering insights into their financial attitudes and guiding informed investment choices.

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INTRODUCTION

In the modern world, a person's capacity to handle his personal finances has taken on significant importance. These days, people examine several facets of their financial affairs. They now consider long-term prospects in addition to short-term financial matters (such as borrowing and saving money). People consider things like their retirement plans, children's schooling, future homes, and other comparable things. People make crucial decisions about their financial sources in addition to investing selections (Pinjisakikool, 2018).

However, the amount to which people's traits affect their intentions regarding investment is a recurrent subject that has not received adequate attention. If a person's investment objectives are discernible, instructors and finance professionals want to determine their adaptability (Rai et al. 2019).

Asset allocation is a complicated issue that requires the application of to test human behavior and heuristic biases. The cognitive domain can help this change from conventional financing to predicting behavior and decisions. Initial studies had disregarded a family's investing choices (Nur et al. 2019). Traditional finance, commonly referred to as standard finance, is based on several theories and ideas, including Sharpe, Mossin, and Rose's pricing of capital assets theory, Miller and Modigliani's arbitrage concepts, and Markowitz's portfolio principles. Option pricing theory by Black, Scholes, and Merton (Oehler et al., 2018). According to these theories, markets and market participants are efficient and well-organized. In line with the booming market theory (EMH), when calculating the prices of financial assets, an efficient market takes into account all the information that is currently accessible (Jain et al., 2020). EMH is predicated on investors acting logically in the stock market. Investors must select a course of action from various possibilities in the face of uncertainty (Komarraju et al., 2011). The expected utility theory (EUT) suggests that investors behave rationally by weighing all alternatives regarding benefit and risk and making a balanced decision. After the energy crisis of the 1970s, empirical studies (Kahneman and Tversky, 1984) were done, and the results contradicted both EMH and EUT.

Investment Decision Making

The term "behavioral finance" was first used in the 1980s to describe a novel idea that combined psychological and behavioral factors into economic and financial decision-making. When it comes to investing in financial assets, investors often act in specific ways, which is why behavioral finance contradicts the idea of an efficient market. The prospect theory was established (Kahneman and Tversky, 1984) as an alternative to EUT in explaining decision-making under uncertainty. According to behavioral finance, different behavioral biases impact investors' financial decisions, leading them to deviate from reason and make illogical choices. Over the years, researchers have examined investor behavior to understand better why different investors handle their money in various ways (Ibrahim and Alqaydi, 2013). A large corpus of literature nowadays tries to explain how individual traits affect how investors

behave. If there is a recurrent theme in this research, it is that individual investor characteristics influence how they perceive risk and how likely they are to take risks. Investor behavior is thus influenced by just how risk is perceived (Durand et al, 2008; Gambetti & Giusberti, 2012). The levels of risk and how people approach risk are topics of increasing concern.

The expected utility technique of van Neumann and Morgenstern (1947) was the foundation for the primary perspective on uncertainty in finance and economics for many years. Their model's central idea is that maximizing predicted utility is the only consideration in decision-making. By extending their work and bringing up the problem of a person who would be compelled to trade off expected return and the chance of accomplishing a specific goal, Allais (1952) challenges the exclusive use of maximizing expected utility as a single criterion when selecting a risky choice. Similarly, Markowitz (1952) proposes a two-criteria technique for investors seeking higher returns but not the risk associated with uncertain returns, which he considers risk. Several additional researchers have added to this discussion.

Impact of Big Five Personality Traits

Human resource professionals typically use the Big Five personality trait dimensions to assist in workforce allocation (Gerber et al., 2011). This is because these traits are regarded as the foundation of a person's overall sense of style, which we can also use to identify one's investment decision-making style.

They are known as the "Big Five" personality traits:

- Openness
- Conscientiousness
- Extraversion
- Agreeableness
- Neuroticism

People with high openness scores appreciate learning new things and participating in unusual activities. Being curious, imaginative and having a diverse set of interests are all characteristics that foster Openness.

People with a high level of conscientiousness are dependable and punctual. Methodical, organized, and meticulous are desirable attributes.

Introverts gain energy from the inside, while extroverts connect with others. Extraversion encompasses the characteristics of energy, talkativeness, and assertiveness.

Agreeable individuals are kind, supportive, and caring. Less pleasant people may appear more distant. Being loving, understanding, and compassionate are characteristics.

Nervosity Emotional stability is another name for the personality trait known as Neuroticism. This dimension concerns the consistency and degree of negativity in one's emotions. Highly neurotic people typically suffer from emotional instability and bad feelings. Personality traits include things like irritability and tension.

Over the previous century, the body of knowledge and identifying factors correlated with human behavior were included. The Big Five concept emerged from this (Digman, 1990; Goldberg, 1992, 1990), which asserts that the character of five personality types that make up an individual are Openness, conscientiousness, extraversion, agreeableness, and Neuroticism. According to these personality profiles, each individual has a predisposition to respond differently to the same circumstance. Therefore, a person's personality type influences their sensations, sentiments, thinking, and decision-making. All fields and domains, including investment possibilities, are covered by this (Azeez & Akhtar, 2021).

Several studies have looked into financial and investing difficulties Tauni et al., 2020; Tharp et al., 2020; Thomas et al., 2020), typically by examining data gleaned from surveys conducted on actual people. To our knowledge, no proposals have been made that imply creating an artificial autonomous system. (AAS) mechanism for assisting.

Statement of the Problem

Nowadays, people need to know their financial attitude, which is totally based upon what kind of strategies they apply that reflect their personality. Everyone has a different personality type that determines how they will react while investing in financial assets for short- or long-term investment decision-making. Many investors in Larkana (Pakistan) have financial knowledge, so what kind of personality do they have? We need to identify by using the Big Five personality traits which shape the economic attitude of the investor in long-term or short-term investment decision-making.

Purpose of the Study

Using the Big Five personality traits model, it is possible to determine how investors behave when making long-term or short-term investing decisions and if this behavior has a positive or negative influence. To understand whether an

investor's investment decision-making is effective over the long run or the short-term and whether it has a positive or negative impact.

Significance of the Study

This study will benefit Larkana investors with a range of personality types since it will help them determine their degree of financial attitude and how to make an informed investment selection.

LITERATURE REVIEW

A person's risk tolerance behavior is somewhat influenced by their personality, which in turn affects how they make investment decisions regarding stocks, bonds, and other securities (Kumar & Goyal, 2015). The results of this study indicate that, among other things, investment advisors should consider personality attributes and individual risk tolerance while giving private customers investment advice (Pak & Mahmood, 2015). Financial risk tolerance is significantly predicted by all of the "big five" personality qualities, including extraversion, agreeableness, conscientiousness, emotional stability, and intelligence (Gerber et al., 2011; Adam & Shauki, 2014).

Investment Decision Making

The financial behavior of households can also be indirectly predicted using these personality qualities as instrumental variables (Pinjisakikool, 2018). In the Internet age, banking and financial institutions are transitioning significantly. Despite widespread digital connections, a sizable minority of people, particularly in rural regions, cannot conduct financial transactions. Knowledge, awareness, and attitudes in this area could enable the ability to use digital tools and digital transaction technologies effectively. Because of this, having a basic understanding of digital finance has become more important than ever before. It is now regarded as a must for participation in the financial system (Azeez & Akhtar, 2021). In the risk simulation task, the forensic patients showed lower rates of risk-taking than the healthy controls, suggesting that social desirability may operate as a deterrent to risk-taking in these patients (Pak & Mahmood, 2015). The results indicate that a constrained institutional environment influences patients' approaches to risk-taking tasks, which may not translate into the community (Young et al., 2012). The authors conclude that extraversion and Neuroticism significantly impact how people behave in the experimental asset market. More extroverted people spend more money on financial assets and buy more of them when they're overvalued than less extroverted people do. Less neurotic people hold riskier investments in their financial portfolios than more neurotic people (Oehler et al., 2018).

The social welfare of a country can be enhanced via financial planning (Mayfield et al., 2008). Without careful financial planning, people might be unable to keep up with rising living expenses, pay for health care, and enjoy the quality of life they want. However, not all financial decisions are intelligible (Nga & Ken Yien, 2013). Financial literacy is a person's capacity to make important choices about the effective and efficient use of money. When making personal financial decisions, persons with higher levels of financial literacy are more self-assured, and their financial outcomes are suitable. For their individual financial decisions, they utilize both financial instruments for saving and investing. Additionally, they are more apt to employ expensive borrowing alternatives. On the other hand, people who are less financially savvy frequently limit their financial decisions to those that pertain to their debts, such as using credit cards instead of more affordable options (Rai et al., 2019).

Personality Types

Openness to experience, conscientiousness, extraversion, agreeableness, and Neuroticism are the "Big Five" personality traits. We examine personality qualities both at the individual and couple levels, focusing on the head of the household and the pair's average personality traits. We discover that specific personality qualities, such as extraversion, are frequently highly correlated with household finances, including levels of debt and assets. The findings also imply that there are differences in the degree and statistical significance of the relationship between personality traits and household finances depending on the various assets and debts that make up the portfolio of the household (Brown & Taylor, 2014). Two of the Big Five qualities, conscientiousness and agreeableness, synthesizing analysis, systematic research, fact retention, and elaborative processing) were shown to be positively correlated to all four learning styles, while Neuroticism was found to be negatively connected to all four learning styles (Komarraju et al., 2011).

When comparing ego-resilience to trait resilience, a larger negative relationship with Neuroticism and higher positive relationships with Openness and Agreeableness were discovered (Oshio et al., 2018). For working-age adults across four years, we show that the Big Five personality traits are stable (Cobb-Clark & Schurer, 2012). People make financial decisions based on their propensity to experience a particular emotion, such as anger or worry. According to research predictions, people who have trait anger decide to invest, but people who have no trait anxiety choose (Gambetti & Giusberti, 2012). Big Five personality qualities are a potential component in figuring out how people differ in how they view their investment performance (Akhtar et al., 2018). The findings show that people with good financial attitudes use credit cards less frequently (Ibrahim & Alqaydi, 2013). The six major features of TPD should be adopted to maximize its effectiveness. However, present research falls short of doing so (Compen et al., 2019). The research

of a variety of investing selections and the performance of the resulting portfolio shows that they are statistically significantly correlated with personality characteristics (Durand et al., 2008).

A strategy of making investments based on social, ethical, and/or environmental considerations within the framework of meticulous financial analysis is known as socially responsible investment (SRI) (Adam & Shauki, 2014). Research in the field of behavioral finance has shown that while choosing investments, investors act irrationally. Investors frequently break from logic and reason, and as a result, they display a variety of behavioral biases that affect how they make financial decisions (Jain et al., 2020). The results show that loss aversion does not influence investment decision-making, whereas risk tolerance and overconfidence have significant benefits. Decisions about investments are negatively impacted by risk perception. This study is anticipated to give a general overview of managing risk in investments and steer clear of behavioral biases when making investment decisions (Nur Aini & Lutfi, 2019). According to a study, those with higher extraversion levels intend to engage in short-term investing, while those with higher degrees of neuroticism or risk aversion refrain from doing so (Mayfield et al., 2008). The research shows that personality qualities, including conscientiousness, agreeableness, and Openness to experience, have a favorable and significant influence on financial behavior. However, neither Neuroticism nor extraversions significantly affect financial behavior (Mutlu & Ozer, 2019).

The stock purchase Subjective norm, attitude, and perceived behavioral control strongly influence people's intents, and subjective norm also considerably influences attitude. People with amiable and open dispositions frequently impact the subjective norm. People with neuroses often have unfavorable opinions about stock investments (Baker et al., 2021).

RESEARCH METHODOLOGY

The data for this quantitative research was gathered using a primary source. Following the questionnaire used by (Ibrahim & Alqaydi, 2013; Mayfield et al., 2008). The researcher went to different institutions where questions were asked by people involved in investing. The study was done in the Larkana district, 7 Institutions. Banks, Educational Institutions and SMEs owners were selected, namely MCB bank, NBP Bank, Sindh University Campus Larkana (SUCL), and SZABIST Larkana.

This research is a descriptive type of research, and it includes eight dimensions, including 47 items. These dimensions are described as follows: Using a seven-point Likert scale, the questionnaire was closed-ended. "Strongly Agree" is denoted with a score of 1, while "Strongly Disagree" is denoted by a score of 5.

Data Collection and Sampling

Data were gathered from public and commercial institutions using a stratified sampling method, with a sample size of 200 employees, workers, and investors from the public sector and others from the private sector. A random selection of 15–20 personnel was made from each institute. Fifty employees were chosen in this manner.

Tool for Data Collection

A Questionnaire for employees was used as a research tool. The Researcher used a questionnaire as a tool to get the results from respondents of the selected Public and Private Primary Institutions.

DATA ANALYSIS AND FINDINGS

This process is to highlight the data and analysis of collected data in which questionnaires were coded and checked through SPSS Software "Statistical package for the social sciences" The collected data is converted in frequency, and valid percentages present in the Table and along with pie chart for every question is represented.

Table 1: Reliability Analysis

Variables	Cronbach's Alpha	N of Items
Neuroticism	.211	5
Extraversion	.547	4
Openness to experience	.651	5
Agreeableness	.320	4
Conscientiousness	.364	5
Risk Aversion	.462	4
Short-term Investment Intentions	.547	5
Long-term Investment Intentions	.654	5
Total Scale	.796	47

The Table shows that the overall reliability analysis was determined using SPSS Software version 22. Cronbach's Alpha value is .796 for 200 respondents, and three variables contain 47 scale questions, showing they are very competent. However, single variable reliability is lower than overall variable reliability for all variables, but the numbers are still regarded as acceptable because they are higher than .70.

Table 2: Profile-based upon Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	116	58.0	58.0	58.0
Female	84	42.0	42.0	100.0
Total	200	100.0	100.0	

The Table displays the gender-specific results, with a high percentage of male respondents (58.0 out of 100) compared to a low rate of female respondents (42.0). Male responders are outpacing female responders in an increasing ratio.

Table 3: Age

	Frequency	Percent	Valid Percent	Cumulative Percent
22-26	64	32.0	32.0	32.0
27-31	70	35.0	35.0	67.0
32-more	66	33.0	33.0	100.0
Total	200	100.0	100.0	

The frequency of the valid percentage is shown in the Age of Respondents result Table. Compared to other age groups, the rate of respondents aged 27 to 31 is higher, with 35 out of 100. Adults (27-31 years old) have a higher growing ratio than all other age groups.

Table 4: Degree

	Frequency	Percent	Valid Percent	Cumulative Percent
BBA/B.COM	67	33.5	33.5	33.5
MBA/M.A	95	47.5	47.5	81.0
Other	38	19.0	19.0	100.0
Total	200	100.0	100.0	

The percentage of MBA/M.A respondent is greater (47.50) than that of BBA/B.COM and other respondents, with the Table showing the results of respondents with the highest degree. MBA/M.A percentages are getting higher and higher, surpassing all other qualifications.

Table 5: Functional Area

	Frequency	Percent	Valid Percent	Cumulative Percent
Finance	49	24.5	24.5	24.5
Marketing	50	25.0	25.0	49.5
Operations	50	25.0	25.0	74.5
HR	51	25.5	25.5	100.0
Total	200	100.0	100.0	

The functional areas of respondents' results are shown in the Table. Out of 100 respondents, Marketing, HR & Operations have an equal proportion (25.0) to Finance.

Table 6: Institute

	Frequency	Percent	Valid Percent	Cumulative Percent
SZABIST	50	25.0	25.0	25.0
SUCL	50	25.0	25.0	50.0
MCB	50	25.0	25.0	75.0
NBP	50	25.0	25.0	100.0
Total	200	100.0	100.0	

The Table shows the result of the Name of an organization where the frequency of valid percentage is given out of 100 respondents, and the percentage of all organizations is equal.

Regression analysis is described as identifying the impact the independent variable has over the dependent variable. This is carried out through three models: model summary, ANOVA, and coefficient table.

Table 7: Regression Analysis

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.226 ^a	.051	.022	.70924	2.019

- a. Predictors: (Constant), Risk aversion, Agreeableness, Extraversion, Openness_to_express, Neuroticism, Conscientiousness
- b. Dependent Variable: Shaotrterm_INV

Regression analysis is described as identifying the impact the independent variable has over the dependent variable. This is carried out through three models: model summary, ANOVA, and coefficient table.

The model summary shows the R-value and the R-square value. The R-value shows the fitness and the appropriateness of the analysis. On the other hand, the R-square value shows how well the model summary shows the predictability of the independent variable towards the dependent variable. The Table shows the model summary of the study. It has been observed from the model summary that the R-value is .226, which means the model is a 60%

fit and appropriate for the analysis. The R square value is .051, which means that the R-square value of 50% predicts the dependent variable.

Table 8: Anova ^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.232	6	.872	1.734	.015 ^b
Residual	97.083	193	.503		
Total	102.315	199			

- a. Dependent Variable: Shaotrterm_INV
- b. Predictors: (Constant), Risk aversion, Agreeableness, Extraversion, Openness_to_express, Neuroticism, Conscientiousness

The sig value is the primary consideration in the ANOVA test. It is crucial to remember that the criterion is often set at 0.05. The model is not meaningful and is suitable for analysis if the sig value is bigger than 0.05. The model is deemed suitable for doing the regression analysis if the sig value is less than 0.05. The Table shows the ANOVA table. It has been observed from the Table that the significant value is 0.015. Since the threshold value is 0.05, the sig value of 0.015 reveals that the model is significant and appropriate for carrying out the regression analysis.

Table 9: Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.328	.449		7.409	.000
Neuroticism	-.009	.062	-.011	-.147	.883
Extraversion	.015	.064	.017	.227	.820
Openness_to_express	.057	.058	.073	.997	.020
Agreeableness	-.015	.061	-.018	-.248	.804
Conscientiousness	.041	.047	.064	.873	.384
Risk aversion	-.167	.062	-.192	-2.694	.008

- a. Dependent Variable: Shaotrterm_INV

The coefficient table shows the impact of the independent variables on the dependent variable. As mentioned before, the threshold value of significance is 0.5; any value lesser than this is considered a significant value, which is known to show that the independent variable has a significant impact on the dependent variable. The Table shows the coefficient table. It has been observed that the independent variables, Risk Aversion with a sig value of .008 and Openness to express 0.20 with a sig value of .005, both hypotheses have been accepted, which has a positive impact on the Short Term Investment intentions.

Table 10: Model Summary

Model	R	R Square	Adjusted R Square	St. Error of the Estimate
1	.331 ^a	.110	.082	.78685

- a. Predictors: (Constant), Risk aversion, Agreeableness, Extraversion, Openness_to_express, Neuroticism, Conscientiousness

The values of r and R-square are displayed in the model summary. The R-value demonstrates the fit and appropriateness of the analysis. The R-square number, on the other hand, demonstrates how well the model summary reflects the predictability of the predictor variables toward the response variable. The study's model summary is included in the Table. The model is 80% fit and suitable for the analysis, as can be seen from the model summary, where the R-value is .413. The R-square value is .110, indicating that the R-square value of 75% predicts the dependent variable.

Table 11: Anova ^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	14.735	6	2.456	3.967	.001 ^b
Residual	119.493	193	.619		
Total	134.228	199			

- a. Dependent Variable: Longterm_INV
- b. Predictors: (Constant), Risk aversion, Agreeableness, Extraversion, Openness_to_express, Neuroticism, Conscientiousness

The Table shows the ANOVA table. It has been observed from the Table that the significant value is 0.001. Since the threshold value is 0.05, the sig value of 0.001 reveals that the model is significant and appropriate for carrying out the regression analysis.

Table 12: Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	1.382	.498		2.773	.006	.399	2.365
Neuroticism	.005	.069	.005	.069	.945	-.130	.140
Extraversion	.150	.071	.149	2.104	.037	.009	.291
Openness_to_express	.057	.064	.063	.896	.372	-.069	.183
Agreeableness	.139	.068	.146	2.051	.042	.005	.273
Conscientiousness	-.035	.052	-.049	-.684	.495	-.138	.067
Risk aversion	.233	.069	.235	3.402	.001	.098	.369

- a. Dependent Variable: Longterm_INV

The coefficient table shows the impact of the independent variables on the dependent variable. As mentioned before, the threshold value of significance is 0.5; any value lesser than this is considered a significant value, which is known to show that the independent variable has a significant impact on the dependent variable. The Table shows the coefficient table. It has been observed that the independent variable, Extraversion & Agreeableness, with a sig value of .037 hypotheses, has been accepted, which positively impacts the Long Term Investment Intentions.

SUMMARY

The main findings can be summarized into three main parts: the analysis of the demographic data, the reliability test, and the hypothesis testing. The demographic analysis in this study shows that male respondents are more involved in investment activities than female respondents. The age group 27-31 people are more active in investing activities.

The reliability test in Cronbach Alpha test for dimensions shows that efficiency is .796, and Neuroticism has an impact of .211. Extraversion .547, Openness to experience .651, Agreeableness .320, Conscienceless .364, Risk Aversion .462, Short-term Investment Intentions .547, Long-term Investment Intentions .654, and Financial Attitude .796. The coefficient shows the impact of independent variables on that of dependent variables. In Model No. 1, Consciousness and Financial Attitude have a significant positive impact on Short-Term Investment Intentions dependent variable. In Model No. 2, however, extraversion has a significant positive impact on long-term investment intentions.

The findings demonstrate that the majority of independent variable items have no discernible influence on the study's dependent item. Still, two independent factors have been determined through regression analysis to have a significant positive influence on Model No. 1. However, one independent variable has a large positive effect in Model No. 2, which has been discovered by regression analysis, despite the results showing that other independent variable components have no substantial impact on the study's predictor.

CONCLUSION

The study investigates the intricate relationship between individual personality traits and investment decision-making, focusing on the context of Larkana, Pakistan. It employs a quantitative approach to collect data from a diverse sample of 200 participants from the region's banks, educational institutions, and SMEs. The research aims to uncover correlations between the Big Five personality traits (Openness, Conscientiousness, Extraversion, Agreeableness, and Neuroticism) and financial behavior, shedding light on the importance of considering psychological aspects in investment decisions.

The literature review establishes the foundation for the research, emphasizing the role of personality in shaping financial attitudes and decision-making. It highlights the significance of financial literacy, risk tolerance, and the "Big Five" personality traits in influencing investment choices. The study's purpose is to determine how these personality traits impact investors' behaviors in both short-term and long-term investment decision-making scenarios.

The research methodology involves a descriptive quantitative approach, utilizing a structured questionnaire administered to participants from various sectors in Larkana. The sample size of 200 respondents from different institutions ensures a diverse representation. The data collection process is thorough, following established models and methodologies used in previous research studies.

The study's significance lies in its potential to offer valuable insights to Larkana investors, aiding them in understanding their financial attitudes and making more informed investment decisions. By examining the influence of personality traits on long-term and short-term investment choices, the research contributes to the growing body of knowledge in behavioral finance.

In conclusion, this research contributes to the evolving field of behavioral finance by specifically addressing the impact of personality traits on investment decision-making in the unique context of Larkana, Pakistan. The findings may provide practical guidance to regional investors and contribute to the broader understanding of how psychological factors shape financial behaviors.

This research intended to ascertain the influence of financial attitude and personality variation on investment decision-making in the setting of the Larkana district. To investigate how personality types and financial attitudes affect how investors make decisions, the Regression Technique was applied using SPSS software version 22 on a sample of 200 respondents. The results identified that there is a significant and (+) positive impact of consciousness and financial attitude on short-term investment decision-making. In contrast, the results also identified Extroversion's significant and (+) positive impact on long-term investment decision-making.

According to this study, investors with extroverted personalities seem more likely to participate in long payback decision-making. In contrast, those with consciousness and financial approach personalities seem more likely to

participate in short-term investment decision-making. Additionally, only investors in the city of Larkana are included in this study.

In this study, we have used the Big Five personality traits model to capture the types of personalities people have; this model was also used in previous studies for different study purposes. It was useful for this study as well. Emotional stability, extraversion, risk, return, agreeableness, conscientiousness, and reasoning were studied using the Big Five Personality Model to determine their impact on investment decisions. According to findings, personality affects decision-making and the chosen form of investment. The research suggests that financial counsellors would be adequately prepared to help clients make the appropriate investment selections and avoid financial errors if they were aware of the behavioral aspects indicated by each investor's personality type.

Financial literacy is crucial because it influences business financial decisions and the overall financial health of the nation's social and economic growth. According to studies, financial decision-making and financial attitude have a significant impact on financial decisions. Financial decision-making and financial literacy have been found to have a beneficial relationship. Daily financial decisions are inevitable due to the diversity of species and the complexity of the financial markets. According to the survey, the younger generation should pursue complexity early in their lives when making financial decisions. This is a condition of the financial environment that influences their conduct. Making a mistake early in life might cost money (Lusardi, Mitchell, & Curto, 2010).

Other factors influence investment decision-making, but the study only examines the impact of financial attitude and personality types. The scope of the investigation can be expanded to include multiple nations. They can also extend the time frame to gather more data or increase the sample size. Even if the question was comparable to those used in previous studies, it is still critical to construct more thorough assessments and apply them in future research to isolate the impacts of other socioeconomic factors.

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